Filing at a Glance

Company:	Great American Life Insurance Company
Product Name:	Annuity Individual Fixed
State:	District of Columbia
TOI:	A07I Individual Annuities - Special
Sub-TOI:	A07I.001 Equity Indexed
Filing Type:	Form
Date Submitted:	11/09/2016
SERFF Tr Num:	GRAX-G130799691
SERFF Status:	Assigned
State Tr Num:	
State Status:	
Co Tr Num:	P1464116DC
Implementation Date Requested:	
Author(s):	SPI GreatAmericanFinancialRes
Reviewer(s):	John Rielley (primary)
Disposition Date:	
Disposition Status:	
Implementation Date:	

State:	District of Columbia	**Filing Company:**	Great American Life Insurance Company
TOI/Sub-TOI:	A07I Individual Annuities - Special/A07I.001 Equity Indexed		
Product Name:	Annuity Individual Fixed		
Project Name/Number:	Annuity Individual Fixed/P1464116DC		

General Information

Project Name: Annuity Individual Fixed
Project Number: P1464116DC
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact:

Deemer Date:
Submitted By: SPI GreatAmericanFinancialRes

Status of Filing in Domicile: Pending
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Individual
Individual Market Type:
Filing Status Changed: 11/10/2016
State Status Changed:
Created By: SPI GreatAmericanFinancialRes
Corresponding Filing Tracking Number:

Filing Description:

Enclosed for your review and approval, please find the forms referenced above. This form is new and does not replace any existing form, nor has it been previously submitted to your Department for preliminary review. This submission does not contain any provisions, conditions, or concepts that are uncommon, unusual or possibly controversial from the standpoint of normal company or industry standards. This form was filed in Ohio, our state of domicile, on 11/09/2016.

Form number P1464116DC is a flexible premium fixed indexed annuity contract with multiple interest crediting strategies. Values under this contract will be determined in two different ways. A contract holder will have the option of selecting a fixed interest strategy that will credit interest at a rate declared in advance that will not change for a specific term. In addition, a contract holder may select an indexed interest strategy under which the interest to be credited is determined, in part, by the increase in a referenced index. These fixed and indexed interest strategies will be added to the base contract via endorsements. At least one indexed interest strategy will be available at all times, but not all of the interest strategy endorsements may be available at all times.

This contract will be marketed to the general public through financial institutions, broker-dealers and appropriately licensed producers. It can be issued as either a non-tax qualified annuity by itself, or as a tax qualified annuity by attaching one or more endorsements.

Company and Contact

Filing Contact Information

Chris Meyer, Compliance Filing Analyst
P. O. Box 5420
Cincinnati, OH 45201-5420
513-412-2713 [Phone]
513-361-5967 [FAX]

Filing Company Information

Great American Life Insurance Company
P. O. Box 5420
Cincinnati, OH 45201-5420
(800) 854-3649 ext. [Phone]

CoCode: 63312
Group Code: 84
Group Name: Great American Financial Resources, Inc.
FEIN Number: 13-1935920

State of Domicile: Ohio
Company Type:
State ID Number:

Filing Fees

Fee Required?	No
Retaliatory?	No

State:	District of Columbia	**Filing Company:**	Great American Life Insurance Company
TOI/Sub-TOI:	A07I Individual Annuities - Special/A07I.001 Equity Indexed		
Product Name:	Annuity Individual Fixed		
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Fee Explanation:

State: District of Columbia
Filing Company: Great American Life Insurance Company
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Form Schedule

Lead Form Number: P1464116DC

Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1		Individual Deferred Annuity Contract	P1464116DC	POL	Initial		52.600	P1464116DC.PDF

Form Type Legend:

ADV	Advertising	**AEF**	Application/Enrollment Form
CER	Certificate	**CERA**	Certificate Amendment, Insert Page, Endorsement or Rider
DDP	Data/Declaration Pages	**FND**	Funding Agreement (Annuity, Individual and Group)
MTX	Matrix	**NOC**	Notice of Coverage
OTH	Other	**OUT**	Outline of Coverage
PJK	Policy Jacket	**POL**	Policy/Contract/Fraternal Certificate
POLA	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	**SCH**	Schedule Pages

LIFE INSURANCE COMPANY

Home Office: Cincinnati, Ohio
[Administrative Office: P.O. Box 5420, Cincinnati, Ohio 45201-5420]

[Marketing Name]
Individual Deferred Annuity Contract
[Tax Qualification]

Indexed and Declared Rate Interest Strategies
Flexible Purchase Payments
Nonparticipating – No Dividends

This is your annuity contract. It is a legally binding agreement between you and us. It provides that we will pay the Annuity Payout Benefit to you in exchange for your Purchase Payment(s). PLEASE READ THIS CONTRACT WITH CARE.

As you read through this contract, please note that the words "we", "us", "our", and "Company" refer to Great American Life Insurance Company. The words "you" and "your" refer to the Owner, including a joint owner, if any. The word “Contract” refers to this annuity contract. Other capitalized terms are defined on the Contract Specifications page or by a specific provision of this Contract.

This Contract is a ***deferred annuity***, which means the Annuity Payout Benefit is to begin on a future date. It offers one or more ***Indexed Interest Strategies*** that earn interest at a rate determined in part by the change in an external market index, rate, or value over a specified Term**. However, this Contract does not directly participate in any equity, debt, or other investments.** It also offers a ***Declared Rate Interest Strategy*** that earns interest at a fixed rate we set before the Term begins. This Contract allows ***flexible Purchase Payments***, which means you may make one or more Purchase Payments to it, subject to the limitations set out in this Contract. It is ***nonparticipating***, which means it does not pay dividends or share in the Company's divisible surplus.

This Contract is a [tax qualification]. [Please refer to the tax qualification endorsement for important provisions.]

Mark F. Muething Executive Vice President	John P. Gruber Secretary

TWENTY DAY EXAMINATION – RIGHT TO CANCEL

You may cancel this annuity contract by returning it and giving written notice of cancellation. You have until midnight of the 20th day following the date you receive it, or such longer period as may be provided by law. If you purchased this annuity contract to replace an existing annuity contract or life insurance policy, you have until midnight of the 30th day following the date you receive it. To cancel, you must return this annuity contract and give the required notice either to us or to the producer who sold it to you, in person or by mail. If by mail, the return of this contract or notice is effective on the date it is postmarked, with the proper address and with postage paid. If you cancel this annuity contract as set forth above, this contract shall be void and we will refund the purchase payments made for it.

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HOW TO CONTACT US

Administrative Office: For information and assistance, or to make a complaint, election, or request, call or write:

[Policy Administration]
Great American Life Insurance Company®
[P.O. Box 5420
Cincinnati, Ohio 45201-5420
1-800-854-3649]

If you prefer, you may visit us at our website, [www.GAIGannuities.com]

Request in Good Order: Any election or request you make to us under this Contract must be a Request in Good Order. A Request in Good Order is an election or request that is:

1) complete and satisfactory to us;
2) sent to us on our form or in a manner satisfactory to us, which may, at our discretion, be by telephone or electronic means; and
3) received by us at our Administrative Office.

We are not bound by an election or request until we acknowledge it. We will deem a Request in Good Order to be a standing order. It may be modified or revoked only by a subsequent Request in Good Order, when permitted by the provisions of this Contract. You may be required to return this Contract to us in connection with an election or request.

CONTRACT SPECIFICATIONS

CONTRACT

Contract Number:	[000000000]
Contract Effective Date:	[May 1, 2015]
Contract Anniversary:	[May 1] of each year after the Contract Effective Date
Contract Year:	A 12-month period that begins on the Contract Effective Date or on a Contract Anniversary.

Annuity Payout Initiation Date

Earliest Permitted Date:	[May 1, 2016]
Latest Permitted Date:	[May 1, 2075]

The latest permitted date may change if an Owner of this Contract changes.

OWNER

Owner(s) as of Contract Effective Date	**Age**
[JOHN DOE]	[35]
[N/A]	[N/A]

ANNUITANT

Annuitant(s) as of Contract Effective Date	**Age**
[JOHN DOE]	[35]
[N/A]	[N/A]

[BENEFICIARY

Primary Beneficiary(ies) as of Contract Effective Date

[None]

[JANE DOE, Spouse]

[50% JIMMY DOE, Son]

[50% JUNE DOE, Daughter]

Contingent Beneficiary(ies) as of Contract Effective Date

[None]

[50% JIMMY DOE, Son]

[50% JUNE DOE, Daughter]

Beneficiary designations are subject to the rights of a Joint Owner, if any, to a change of Beneficiary made after the Contract Effective Date, and to other Contract rules. Beneficiary designations do not apply after the Annuity Payout Initiation Date.]

PURCHASE PAYMENTS

Initial Purchase Payment:	[$5,000.00]
Additional Purchase Payment Minimum:	[$2,000.00]
Total Purchase Payment Maximum:	[$1,000,000.00]

INTEREST STRATEGIES

Interest Strategy Application Date: [the 6th and 20th day of each month]

Interest Strategies as of Contract Effective Date:

Strategy Name	Selection
[Declared Rate Strategy]	[20%]
[S&P 500® Annual Point-to-Point Indexed Strategy]	[80%]

Each Interest Strategy is described in an endorsement to this Contract. *Please refer to the Interest Strategy endorsements for important provisions and disclosures*.

EARLY WITHDRAWAL CHARGE

Contract Year	1	2	3	4	5	6	7	8+
Early Withdrawal Charge Rate	9%	8%	7%	6%	5%	4%	3%	0%

Free Withdrawal Percentage: [10%]

GUARANTEED MINIMUM SURRENDER VALUE

GMSV Rate: [1.00%]

CONTRACT MINIMUMS

Minimum Required Value:	[$5,000]
Minimum Fixed Period Payout:	[10 years]

OWNER

Owner
The Owner of this Contract is the person who possesses all of the ownership rights under this Contract. The Owner on the Contract Effective Date is set out on the Contract Specifications page.

If the cover page of this Contract states that it is a Nonqualified Annuity, then it may be owned by two persons jointly. If there is a joint Owner, the term "Owner" includes the joint Owner, and you must exercise all rights of ownership by joint action.

You may change the Owner as provided in the ***Change of Owner*** provision of this Contract. A surviving spouse may become the Owner pursuant to the ***Successor Owner*** provision of this Contract.

If an Owner is a trust, custodial account, corporation, limited liability company, partnership, or other entity, then the age of the eldest Annuitant is treated as the age of the Owner for all purposes of this Contract.

Assignment
Subject to the tax qualification endorsement, if any, you may assign all or any part of your rights under this Contract, except your rights to:

1) designate or change a Beneficiary;
2) designate or change an Annuitant;
3) change Owners; or
4) elect a Payout Option.

We are not responsible for the validity or tax effects of an assignment. An assignment must be made by a Request in Good Order.

The rights of a person holding an assignment, including the right to any payment under this Contract, come before the rights of an Owner, Annuitant, Beneficiary, or other payee. An assignment may be ended only by the person holding it or as provided by law.

Change of Owner
Subject to the tax qualification endorsement, if any, you may change the Owner at any time during your lifetime.

A change of Owner must be made by a Request in Good Order. A change of Owner cancels all prior Beneficiary designations. It does not cancel a designation of an Annuitant or a Payout Option election.

Successor Owner
Your spouse becomes the successor owner of this Contract and succeeds to all rights of ownership if all of the following requirements are met:

1) a Death Benefit is payable on account of your death;
2) the sole Beneficiary under this Contract is your spouse, or a revocable trust or custodial account created by your spouse;
3) either you make that election by a Request in Good Order before your death, or your spouse makes that election by a Request in Good Order before the Death Benefit Payment Date; and
4) you were not a successor owner of this Contract.

A successor owner election cancels all prior Beneficiary designations. It does not cancel a designation of an Annuitant or a Payout Option election.

If state law extends this successor owner right to a civil union partner or other person who is not your spouse as defined by federal tax law, then distributions after your death must be made as required by the ***Death Benefit Distribution Rules*** provision of this Contract.

Community Property
If you live in a community property state and have a spouse at any time while you own this Contract, the laws of that state may vary your ownership rights.

ANNUITANT

The Annuitant is the natural person or persons on whose life the Annuity Payout Benefit is based. The Annuitant on the Contract Effective Date is set out on the Contract Specification page.

If this Contract has a tax qualification endorsement, then the Annuitant must be the natural person covered under the retirement arrangement for whose benefit this Contract is held.

If the cover page states that this Contract is a Nonqualified Annuity, then the Annuitant cannot be changed at any time that it is owned by a trust, custodial account, corporation, limited liability company, partnership, or other entity.

Otherwise, you may change a designation of Annuitant by a Request in Good Order at any time before the Annuity Payout Initiation Date.

If an Annuitant dies before the Annuity Payout Initiation Date and no Death Benefit is payable, then in the absence of a new designation, the Annuitant shall be the surviving joint Annuitant(s), or if none, the Owner(s).

BENEFICIARY

Beneficiary
A Beneficiary is a person entitled to receive all or part of a Death Benefit that is to be paid under this Contract on account of a death before the Annuity Payout Initiation Date.

If a Death Benefit becomes payable on account of your death or the death of a joint Owner, then the surviving Owner is the Beneficiary no matter what other designation you may have made.

In all other cases, you may designate a person or persons who will be the Beneficiary(ies) as provided in the ***Designation of Beneficiary*** provision of this Contract.

If no designated Beneficiary is surviving, then the Beneficiary is your estate.

Designation of Beneficiary
A designation of Beneficiary must be made by a Request in Good Order, received by us on or before the date of death for which a Death Benefit is payable.

You may designate two or more persons jointly as the Beneficiaries. Unless you state otherwise, joint Beneficiaries that are surviving are entitled to equal shares. You may also designate one or more persons as contingent Beneficiary. Unless you state otherwise, a contingent Beneficiary is entitled to a benefit only if there is no primary Beneficiary that is surviving.

Survivorship Required
In order to be entitled to receive a Death Benefit, a Beneficiary must survive for at least 30 days after the death for which the Death Benefit is payable. If you designate your spouse as a Beneficiary and your marriage ends before your death, we will treat your former spouse as having predeceased you except:

1) to the extent a court order provides that the former spouse's rights as a beneficiary are to continue; or
2) to the extent he or she remains or becomes an Owner.

PURCHASE PAYMENTS

A Purchase Payment is an amount received by us for this Contract. It is determined after deducting any taxes withheld from the payment, and after deducting any fee charged by the person remitting payment.

You may make one or more Purchase Payments to us for this Contract.

The initial Purchase Payment must be received by us on or before the Contract Effective Date.

Each additional Purchase Payment must at least equal the minimum that is set out on the Contract Specifications page. Each additional Purchase Payment must be received by us at our Administrative Office on or before the earliest of the following:

1) the Annuity Payout Initiation Date;
2) a death for which a Death Benefit is payable; and
3) the date that this Contract is surrendered.

Total Purchase Payments cannot exceed the maximum that is set out on the Contract Specifications Page.

Upon request, we will provide you with a receipt for a Purchase Payment as proof of payment.

CONTRACT VALUES

Account Value
The Account Value of this Contract is equal to the sum of the values of each Interest Strategy, plus the value of the Purchase Payment Account, if any.

Interest Strategy Value
The value of an Interest Strategy is equal to:

1) the amount applied to that Interest Strategy for the current Term; minus
2) the amount needed to pay for each withdrawal taken from that Interest Strategy during the current Term; minus
3) rider fees and charges taken from that Interest Strategy during the current Term; and plus
4) interest, if any, earned on that Interest Strategy for the current Term.

The amount needed to pay for a withdrawal includes the amount needed to pay any applicable Early Withdrawal Charge.

Purchase Payment Account Value
The Purchase Payment Account holds each Purchase Payment until it is applied to an Interest Strategy on an Interest Strategy Application Date. The Interest Strategy Application Dates are set out on the Contract Specifications page. Until it is applied to an Interest Strategy, the value of the Purchase Payment Account is equal to:

1) Purchase Payments received by us since the last Interest Strategy Application Date; minus
2) the premium tax or other tax that may apply to such Purchase Payments; minus
3) the amount needed to pay for each withdrawal taken from the Purchase Payment Account since the last Interest Strategy Application Date; minus
4) rider fees and charges taken from the Purchase Payment Account since the last Interest Strategy Application Date; plus
5) interest earned daily on the Purchase Payment Account value.

The amount needed to pay for a withdrawal includes the amount needed to pay any applicable Early Withdrawal Charge.

Surrender Value
The Surrender Value of this Contract is the amount that can be taken as a Cash Benefit under this Contract. It is the greater of:

1) the Account Value, reduced by rider fees and charges not previously deducted, and minus the Early Withdrawal Charge that would apply on a surrender of this Contract; or
2) the Guaranteed Minimum Surrender Value.

Annuity Payout Value
The Annuity Payout Value is the amount that can be applied to the Annuity Payout Benefit under this Contract. It is the greater of:

1) the Account Value on the Annuity Payout Initiation Date, reduced by rider fees and charges not previously deducted, and reduced by premium tax or other taxes not previously deducted; or
2) the Guaranteed Minimum Surrender Value on the Annuity Payout Initiation Date.

Death Benefit Value
The Death Benefit Value is the amount that is available as a Death Benefit under this Contract. It is the greater of:

1) the Account Value on the date that the Death Benefit Value is determined, reduced by rider fees and charges not previously deducted, and reduced by premium tax or other taxes not previously deducted; or
2) the Guaranteed Minimum Surrender Value on the date that the Death Benefit Value is determined.

For this purpose, the date that the Death Benefit Value is determined is the earlier of:

1) the date that we have received both proof of death and a Request in Good Order with instructions as to the form of Death Benefit; or
2) the first anniversary of the date of death.

Guaranteed Minimum Surrender Value
The Guaranteed Minimum Surrender Value is used to determine the minimum Surrender Value, Annuity Payout Value, or Death Benefit Value. It is equal to:

1) the sum of the Purchase Payments; minus
2) all withdrawals and applicable Early Withdrawal Charges; plus
3) interest earned daily at the GMSV Rate that is set out on the Contract Specifications page; and minus
4) an amount equal to the Early Withdrawal Charge rate, set out on the Contract Specifications page, multiplied by the Account Value of this Contract.

The Guaranteed Minimum Surrender Value will not be less than the minimum values required by the law of the state in which this Contract is issued.

INTEREST

Interest Earned on Contract Values
Each Interest Strategy earns interest based on the rules that apply to that strategy. The rules for each Interest Strategy are set out in an endorsement to this Contract. In some cases, the interest earned for a Term of an Interest Strategy may be zero. The interest earned for a Term of an Interest Strategy will never be less than zero.

The Purchase Payment Account earns interest daily at an annual effective rate equal to the GMSV Rate. This rate is set out on the Contract Specifications page.

An amount held under this Contract stops earning interest after the earliest of:

1) the Annuity Payout Initiation Date;
2) the date that the Death Benefit Value is determined; or
3) the date on which the amount is withdrawn or this Contract is surrendered.

Interest Strategy
An Interest Strategy is a specified method by which interest is calculated for a Term. The initial Interest Strategies are set out on the Contract Specifications page. The rates, caps, participation rates, minimums, maximums, or other variable factors in effect for an Interest Strategy may vary from one Term to the next. At the end of a Term, we reserve the right to eliminate a particular Interest Strategy at our discretion.

Interest Strategy Selections
Each Purchase Payment is applied to the Purchase Payment Account upon receipt by us.

On each Interest Strategy Application Date, we apply the then current balance of the Purchase Payment Account to the Interest Strategies you have selected. Your selection must be made by a Request in Good Order. The Interest Strategy Application Dates and your initial selection are set out on the Contract Specifications page. Your selection continues to apply until changed by a Request in Good Order.

Term
A Term is the period over which an Interest Rate is calculated for an Interest Strategy. Each Term will begin and end on an Interest Strategy Application Date. The length of each Term is determined by the Interest Strategy. A new Term will begin at the end of the preceding Term.

Interest Strategy Renewals at Term End
At the end of each Term of a given Interest Strategy, we will apply the ending value of that Interest Strategy to a new Term of that same Interest Strategy except to the extent that such value is moved under the ***Interest Strategy Reallocation at Term End*** provision.

Interest Strategy Reallocations at Term End
At the end of a Term, you may reallocate the ending values of the Interest Strategies for that Term among the available Interest Strategies. A reallocation must be made by Request in Good Order received by us on or before the last day of the Term.

At the end of a Term, we will reallocate any amount that cannot be applied to a given Interest Strategy for the next Term because that Strategy is no longer available or because the amount is under the minimum or over the maximum for that Strategy. We will make this reallocation:

1) to the Declared Rate Interest Strategy, and if more than one, then to the Declared Rate Interest Strategy having the shortest Term; or
2) if a Declared Rate Interest Strategy is not available, then to an Interest Strategy that we designate.

You cannot reallocate amounts from one Interest Strategy to another until the end of the Term for which such amount is being held.

Rules for Interest Strategy Selections and Reallocations
Interest Strategy selections and reallocations must be in whole percentages. We reserve the right to round amounts up or down to make whole percentages, and to reduce or increase amounts proportionately in order to total 100%.

We reserve the right to establish minimum or maximum amounts or percentages that may be applied to a given Interest Strategy. We may change these minimums or maximums for any future renewal Terms in our discretion. We will notify you of any such change. We may limit the availability of an Interest Strategy for a Term that would extend beyond the Annuity Payout Initiation Date.

CHARGES

Early Withdrawal Charge
We will deduct an Early Withdrawal Charge from the Account Value of this Contract if it is surrendered or a withdrawal is taken prior to the seventh Contract Anniversary.

The Early Withdrawal Charge is equal to the Early Withdrawal Charge rate multiplied by the amount that is subject to such charge. The amount that is subject to the charge is the portion of the Account Value that you withdraw or surrender. The amount you withdraw or surrender includes any amount needed to pay the Early Withdrawal Charge itself. It does not include the amount covered by your Free Withdrawal Allowance. The Early Withdrawal Charge rates are set out on the Contract Specifications page.

An Early Withdrawal Charge does not apply to a withdrawal or surrender on or after the seventh Contract Anniversary.

Free Withdrawal Allowance
The Free Withdrawal Allowance is the total amount or amounts that may be taken as a withdrawal or surrender during a Contract Year without an Early Withdrawal Charge that might otherwise apply. For the first Contract Year, it is equal to Free Withdrawal Percentage multiplied by the total Purchase Payments received by us. For each subsequent Contract Year, it is equal to the Free Withdrawal Percentage multiplied by the Account Value as of the most recent Contract Anniversary. The Free Withdrawal Percentage is set out on the Contract Specifications page.

You may not carry over any unused part of your Free Withdrawal Allowance from one Contract Year to the next.

CASH BENEFIT

Surrender
You may surrender this Contract in full at any time before the earlier of:

1) the Annuity Payout Initiation Date; or
2) a death for which a Death Benefit is payable.

A surrender must be made by a Request in Good Order. In the case of a surrender, this Contract terminates.

The amount paid upon a surrender is the Surrender Value, reduced by the outstanding balance of any loans.

Withdrawals
You may take withdrawals from this Contract at any time before the earliest of:

1) the Annuity Payout Initiation Date;
2) a death for which a Death Benefit is payable; or
3) the date that this Contract is surrendered.

A withdrawal must be made by a Request in Good Order. The amount of any withdrawal must be at least $500. No withdrawal may be made if it would reduce the Account Value, reduced by the balance of any loan, to less than the Minimum Required Value. The Minimum Required Value is set out on the Contract Specifications page.

A withdrawal will be taken:

1) first proportionally from funds that then qualify for a waiver of the Early Withdrawal Charge pursuant to the provisions of the Interest Strategy endorsement;
2) then from the Purchase Payment Account;
3) then proportionally from Declared Rate Interest Strategies having the shortest Term until all Declared Rate Interest Strategies are exhausted; and
4) then proportionally from Indexed Interest Strategies having the shortest Term.

Exchanges, Transfers, and Rollovers
An amount paid on a withdrawal or surrender may be paid to or for another annuity or tax-qualified account in a tax-free exchange, transfer, or rollover to the full extent allowed by federal tax law.

ANNUITY PAYOUT BENEFIT

Annuity Payout Benefit
The Annuity Payout Benefit is a series of periodic payments made under a Payout Option. The Annuity Payout Benefit is payable under this Contract if the Annuity Payout Initiation Date is reached before the earlier of:

1) a death for which a Death Benefit is payable; or
2) the date that this Contract is surrendered.

Once the Annuity Payout Initiation Date is reached:

1) the Annuity Payout Benefit is in place of all other benefits under this Contract; and
2) all other rights under this Contract terminate except for rights related to the Annuity Payout Benefit.

Annuity Payout Amount
The amount of each payment under the Annuity Payout Benefit is determined on the Annuity Payout Initiation Date based on:

1) the Annuity Payout Value on that date, reduced by the outstanding balance of any loans;
2) the Payout Option that applies; and
3) the payment interval.

Annuity Payout Initiation Date
The Annuity Payout Initiation Date is the first day of the first payment interval for which payment of the Annuity Payout Benefit is to be made. Payments under a Payout Option are made at the end of each payment interval. This means that for annual payments, the first payment will be made one year after the Annuity Payout Initiation Date.

You may choose the Annuity Payout Initiation Date by a Request in Good Order. Such a request must be received by us no later than the chosen date, and at least 30 days before the date of the first payment to be made under a Payout Option.

The earliest permitted date that you may choose is the first Contract Anniversary. Unless we agree, the latest permitted date that you may choose is the Contract Anniversary following your 95th birthday or the 95th birthday of a joint owner. The earliest and latest permitted dates, as determined on the Contract Effective Date, are set out on the Contract Specifications page.

If you have not chosen the Annuity Payout Initiation Date by the latest permitted date, we may choose it for you. We will notify you in writing at least 45 days before the date we choose, and give you an opportunity to choose an earlier date.

Form of Annuity Payout Benefit

The Annuity Payout Benefit is paid in the form of annual payments under Payout Option B with a fixed period of 10 years, or if fewer, the maximum number of whole years permitted by any tax qualification endorsement.

In place of that, you may choose to have the Annuity Payout Benefit paid in the form of any other Payout Option that is available to you under this Contract. Your choice must be made by a Request in Good Order that is received by us no later than the Annuity Payout Initiation Date and at least 30 days before the date of the first payment to be made.

In any event, each Payout Option that is contingent on life is based on the life of the Annuitant.

We will not pay an Annuity Payout Benefit if we have the right to terminate this Contract pursuant to the ***Termination*** provision.

Payee for Annuity Payout Benefit

Payments of the Annuity Payout Benefit are paid to the surviving Owner(s). In place of receiving such payments, the surviving Owner(s) may from time to time elect for payments of the Annuity Payout Benefit be made:

1) as a tax-free exchange, transfer, or rollover to or for an annuity or tax-qualified account as permitted by federal tax law; or
2) to the Annuitant.

That election must be made or changed by a Request in Good Order received at least 30 days before the date of payment.

Annuity Payout Benefit payments that become due after the death of the payee are made to:

1) the surviving Owner(s); or if none
2) then to the surviving contingent payee(s) designated by the surviving Owner(s); or if none
3) the estate of the last payee who received payments.

A designation or change of a contingent payee must be made or changed by a Request in Good Order. If you designate your spouse as a contingent payee and your marriage ends before your death, then we will treat your former spouse as having predeceased you except:

1) to the extent a court order provides that the former spouse's rights as a contingent payee are to continue; or
2) to the extent he or she remains or becomes an Owner.

The portion of the Annuity Payout Benefit, if any, remaining after the death of an Owner or Annuitant must be paid at least as rapidly as payments were being made at the time of such death.

DEATH BENEFIT

Death Benefit
A Death Benefit is payable under this Contract if, before the Annuity Payout Initiation Date and before the date that this Contract is surrendered:

1) an Owner dies; or
2) an Annuitant dies when this Contract is owned by a trust, custodial account, corporation, limited liability company, partnership, or other entity.

No Death Benefit will be payable on your death if your spouse becomes successor owner of this Contract.

If a Death Benefit becomes payable:

1) it is in place of all other benefits under this Contract; and
2) all other rights under this Contract terminate except for rights related to the Death Benefit.

Only one Death Benefit can be paid under this Contract.

Death Benefit Amount
If the Death Benefit is to be paid as a series of periodic payments under a Payout Option, then the amount of each payment under the Death Benefit is determined on the date that the Death Benefit Value is applied to the Payout Option and is based on:

1) the Death Benefit Value, reduced by the outstanding balance of any loans, together with any interest required by law to the date it is applied to the Payout Option;
2) the Payout Option that applies; and
3) the payment interval.

If the Death Benefit is paid in a lump sum, then it is equal to the Death Benefit Value reduced by the outstanding balance of any loan, and increased by interest as required by law.

Interest on Death Benefit
We will accrue interest on the Death Benefit payable under this Contract as required by law. Such interest, if any, is added to the Death Benefit Value to be paid.

Death Benefit Payout Date
If the Death Benefit is to be paid under a Payout Option, then we will apply the Death Benefit Value to a Payout Option as soon as practical after receipt of due proof of death and a Request in Good Order. The date that we do so will be the first day of the first payment interval for which a payment is to be made. Payments under a Payout Option are made at the end of each payment interval. This means that for annual payments, the first payment will be made one year after the date on which the Death Benefit is applied to a Payout Option.

If the Death Benefit is to be paid as a lump sum, then it will be paid as soon as practical after the receipt of the Request in Good Order for a lump sum payment.

Form of Death Benefit
Death Benefit payments are made annually under Option A as described in the PAYOUT OPTIONS section of this Contract, with a period certain of two years.

In place of that, you may choose to have Death Benefit payments paid as a lump sum or in the form of any Payout Option that is available under this Contract. Your choice must be made by a Request in Good Order that is received by us on or before the date of death for which a Death Benefit is payable.

If you do not make such a choice, the Beneficiary may make that choice after the date of death. His or her choice must be made by a Request in Good Order that is received by us no later than the date that the Death Benefit Value is applied to a Payout Option and at least 30 days before the date of the first payment to be made.

Any choice is subject to the ***Death Benefit Distribution Rules*** provision of this Contract.

In any event, a Payout Option that is contingent on life is based on the life of the Beneficiary. A Beneficiary that is a trust, custodial account, corporation, limited liability company, partnership, or other entity may elect a Payout Option based on the life of a person to whom the Beneficiary is obligated. Such an election must be made by a Request in Good Order at least 30 days before the date of payment.

We will pay the Death Benefit as a lump sum rather than as payments under a Payout Option if:

1) as of the date that the Death Benefit Value is to be applied to a Payout Option, the ***Death Benefit Distribution Rules*** provision of this Contract does not allow a two-year payout; or
2) the Death Benefit is less than $2,000.

Death Benefit Distribution Rules
The Death Benefit must be paid in accordance with the tax qualification endorsement, if any. If the cover page states that this Contract is a Nonqualified Annuity, then the Death Benefit must be paid either:

1) in full within five years of the date of death; or
2) over the life of the Beneficiary or over a period certain not exceeding his or her life expectancy, with payments at least annually and with the first payment made within one year of the date of death.

If the cover page states that this Contract is a Nonqualified Annuity, and your spouse (as defined by federal tax law) becomes the successor owner of this Contract after your death, then:

1) this rule does not apply to your death; and
2) if the successor owner dies before the Annuity Payout Initiation Date, this rule applies to the death of the successor owner.

Payee for Death Benefit Payments
Death Benefit payments are made to the Beneficiary as the payee unless:

1) amounts are paid as a tax-free exchange, transfer, or rollover to or for an annuity or tax-qualified account as permitted by federal tax law; or
2) the Beneficiary is a trust, custodial account, corporation, limited liability company, partnership, or other entity, and elects to have Death Benefit payments made to a person to whom the Beneficiary is obligated to make corresponding payments.

Death Benefit payments that become due after the death of the payee are made to the contingent payee designated as part of any Payout Option election made by you for the Death Benefit. If there is no such contingent payee surviving, then such payments are made to the contingent payee designated by the Beneficiary. Failing that, such payments are made to the estate of the last payee who received payments.

If the Beneficiary designates his or her spouse as the contingent payee and their marriage ends before the Beneficiary's death, then we will treat the former spouse as having predeceased the Beneficiary except to the extent a court order provides that the rights of the former spouse as contingent payee are to continue.

A designation or change of a payee or contingent payee must be made by a Request in Good Order. A Beneficiary may not change a contingent payee designation made as part of a Payout Option election made by you for the Death Benefit. A Beneficiary may make or change any other payee or contingent payee designation at any time.

PAYOUT OPTIONS

Conditions
Payments under a Payout Option are subject to any minimum amounts, payment intervals, and other rules and conditions that we may from time to time require. If we change our minimums, we may change any current or future payment amounts and/or payment intervals to conform to the change. Payments under a Payout Option are made at the end of a payment interval. More than one Payout Option may be elected if the requirements for each Payout Option are satisfied. Once payment begins under a Payout Option, the Payout Option may not be changed.

All elected Payout Options must comply with pertinent laws and governmental regulations and rulings.

If more than one person is the payee under a Payout Option, payments are made to the payees jointly. No more than two persons may be initial payees under a joint and survivor Payout Option.

If payment under a Payout Option depends on whether a specified person is still alive, we may at any time require proof that such person is still living. We will require proof of the age of any person on whose life payments are based.

Nonhuman Payees under a Payout Option
Except as stated in this provision, the primary payee under a Payout Option must be a human being. All payments under a Payout Option during his or her life must be made by check payable to the primary payee or by electronic transfer to a checking or savings account owned by the primary payee. Payments may be made as a tax-free exchange, transfer, or rollover to or for another annuity or tax-qualified account to the full extent allowed by federal tax law. An Owner that is a trust, corporation, limited liability company, partnership, or other entity may be the primary payee for an Annuity Payout Benefit. A Beneficiary that is a trust, corporation, limited liability company, partnership, or other entity may be the primary payee for a Death Benefit. We may make other exceptions in our discretion.

Limitation on Election of Payout Option
A fixed period of less than the Minimum Fixed Period Payout is available only for a Death Benefit. The Minimum Fixed Period Payout is set out on the Contract Specifications page.

Payout Option Computations
The 2012 Individual Annuity Mortality Period Table with projection scale G2 for blended lives (60% female/40% male) with interest at [1%] per year, compounded annually, is used to compute all guaranteed Payout Option factors, values, and benefits under this Contract. For purposes of calculating payments based on the age of a person, we will use the person's age as of his or her last birthday.

Available Payout Options
The available Payout Options are set out below.

> **Payout Option A:** Fixed Period Payout
>
> We will make periodic payments for a fixed period. The first payment is paid as of the last day of the initial payment interval. The fixed period may not be longer than 30 years. The Payout Option A Table applies to this Option.
>
> **Payout Option B:** Life Payout
>
> We will make periodic payments until the death of the person on whose life payments are based. The first payment is paid as of the last day of the initial payment interval. Upon request, we will provide information on the payments that we will make based on the age of the person on whose life payments are based, the payment interval, and the year in which the Contract value is applied to the Payout Option.
>
> **Payout Option C:** Life Payout with Payments for at Least a Fixed Period
>
> We will make periodic payments until the death of the person on whose life payments are based. We guarantee that such payments continue for at least a fixed period you select, even if the person should die before the end of that fixed period. The first payment is paid as of the last day of the initial payment interval. Upon request, we will provide information on the payments that we will make based on the age of the person on whose life payments are based, the fixed period, the payment interval, and the year in which the Contract value is applied to the Payout Option.
>
> **Payout Option D:** Joint and One-half Survivor Payout
>
> We will make periodic payments until the death of the primary person on whose life payments are based; thereafter, we will make one-half of the periodic payment until the death of the secondary person on whose life payments are based. The first payment is paid as of the last day of the initial payment interval. Upon request, we will provide information on the payments that we will make based on the ages of the persons on whose lives payments are based, the payment interval, and the year in which the Contract value is applied to the Payout Option.

We will make periodic payments in any other form of Payout Option that is acceptable to us at the time of an election.

Commuted Values
Once the Contract value is applied to a Payout Option, the periodic payments cannot be accelerated or converted into a lump sum payment unless we agree.

Payout Option A Table for Fixed Period Payout
The Option A Table shows the payments that we will make at sample payment intervals for each $1,000 applied based on the guaranteed Payout Option factors.

Payments for fixed number of years for each $1,000 applied.

	Annual	Semi Annual	Quarterly	Monthly
Years				
1	[$1,010.00	$503.74	$251.55	$83.78
2	507.51	253.12	126.40	42.10
3	340.02	169.58	84.68	28.20
4	256.28	127.82	63.83	21.25
5	206.03	102.76	51.31	17.09
6	172.54	86.05	42.97	14.31
7	148.62	74.12	37.01	12.32
8	130.69	65.18	32.55	10.84
9	116.74	58.22	29.07	9.68
10	105.58	52.65	26.29	8.75
11	96.45	48.10	24.02	8.00
12	88.84	44.31	22.12	7.37
13	82.41	41.10	20.52	6.83
14	76.90	38.35	19.15	6.37
15	72.12	35.97	17.96	5.98
16	67.94	33.88	16.92	5.63
17	64.25	32.04	16.00	5.33
18	60.98	30.41	15.18	5.05
19	58.05	28.95	14.45	4.81
20	55.41	27.63	13.80	4.59]

The values stated for fixed periods shorter than the Minimum Fixed Period Payout are available only as a Death Benefit option. The Minimum Fixed Period Payout is set out on the Contract Specifications page.

GENERAL PROVISIONS

Entire Contract
This Contract, any application for it, any endorsements to it, and any riders and rider applications, form the entire contract between you and us.

Only statements that you have made in consideration for this Contract or a rider may be used to defend a claim based on it, or to void this Contract or a rider. Such statements are treated as representations and not warranties.

Changes – Waivers
No changes or waivers of the provisions of this Contract are valid unless made in writing and are signed by our President, Vice President, or Secretary. No other person or producer has authority to change or waive any provision of this Contract. We reserve the right, in our discretion, to administer and change the provisions of this Contract to obtain or retain the intended tax treatment under federal tax law, or to take into account other pertinent laws and governmental regulations and rulings.

Misstatement
If the age of a person is misstated, we will adjust payments to the amount that would have been payable based on the correct age. If payments based on the correct age would have been higher, we will promptly pay the underpaid amount in one sum, with interest. If payments based on the correct age would have been lower, we may deduct the overpaid amount, with interest, from succeeding payments. We may also pursue other remedies at law or in equity. The interest to be paid or charged is the rate that was used to calculate the payments, but not to exceed 6% per year.

Required Reports
At least once each Contract Year, we will send you a report of your current values. We will also provide any other information required by law. These reports will stop on the earliest of the following dates:

1) the Annuity Payout Initiation Date;
2) the date that the Death Benefit Value is determined; or
3) the date that this Contract is surrendered.

The reports will be mailed to your last known address. If permitted by law, in place of that we may deliver these and other required documents in electronic form. The reported values will be based on the information in our possession at the time that we prepare the report. We may adjust the reported values at a later date if that information proves to be incorrect or has changed.

Exclusive Benefit
Your rights as Owner of this Contract are for the exclusive benefit of you and your Beneficiaries. Your rights as Owner of this Contract are not forfeitable by us.

State Law
All factors, values, benefits, and reserves under this Contract shall not be less than those required by the law of the state in which this Contract is delivered.

Claims of Creditors
To the extent allowed by law, your rights as Owner of this Contract and all values and benefits under it are not subject to the claims of creditors or to legal process.

Company Liability
We will not be liable for any loss that is related to a failure by you, or by any other person having rights or benefits under this Contract, to comply with pertinent laws or governmental regulations or rulings.

Incontestability
This Contract is not contestable by us, except to the extent stated in an application, endorsement, or rider, if any.

Discharge of Liability
We will be discharged from all liability to the extent of each payment that is made for a Cash Benefit, Annuity Payout Benefit, Death Benefit, or rider benefit.

Transfer by the Company
We reserve the right to transfer our obligations under this Contract to another qualified life insurance company under an assumption or reinsurance arrangement. We may make such a transfer without your consent.

Taxes
Some states impose on the Company a premium tax or other taxes on annuities. If a premium tax or other tax is charged or due, we reserve the right to deduct this amount from the Purchase Payment or Account Value at the time that it is imposed.

Proof of Death
Before making payment of a Death Benefit, or any other payment or transfer of ownership rights that depends on the death of a specified person, we will require proof of death. We may delay making any payment until it is received. For this purpose, proof of death is:

1) a certified copy of a death certificate showing the cause and manner of death;
2) a certified copy of a decree that is made by a court of competent jurisdiction as to the finding of death; or
3) other proof that is satisfactory to us.

Loans
A loan is not available under this Contract unless it has a loan endorsement.

Termination
We reserve the right to terminate this Contract at any time that the Account Value, reduced by the balance of any loans, is less than the Minimum Required Value. The Minimum Required Value is set out on the Contract Specifications page. If we terminate this Contract for this reason, we will pay you the Surrender Value. We will not terminate this Contract at a time when a distribution to you is prohibited by a tax qualification endorsement.

Deferral of Payment
We reserve the right to delay payment of a surrender or withdrawal after we receive your Request in Good Order for it. We may delay such payment for up to six months upon receipt of written approval from the commissioner of insurance of the state in which this Contract was issued.

Escheat of Payment
If an Annuity Payout Benefit or Death Benefit is due to be paid, and we cannot find the payee or there is a dispute over the payment that is not resolved, we will escheat the amount due as required by law. In the case of an Annuity Payout Benefit, we will escheat payments as they become due. In the case of a Death Benefit, we will escheat the Death Benefit as a lump sum on the date that state law requires that it be escheated.

Change of Administrative Office
If we change our Administrative Office, we will notify you in writing.

Changes in Indices
This Contract has one or more Interest Strategies that calculate interest based in whole or in part on an index, a market interest rate, or the price or unit value of an investment fund or commodity.

If an index or an interest rate stops being published, or if an investment fund terminates, or if an investment fund or a commodity stops being traded on a specified market, then we will select a similar index, interest rate, investment fund, commodity, or market to replace it. If the publication schedule of an index or interest rate is changed, or if the calculation of it is changed significantly, if there is a significant change in the investment objectives, strategies, or operations of an investment fund, or if a specified market declines in importance, then:

1) we may replace it with a similar index, interest rate, investment fund, commodity, or market; or
2) we may make adjustments to it to approximate its performance before the change.

The new or adjusted index, interest rate, investment fund, commodity, or market will not be exactly the same as the original, but it will correspond reasonably to it, as determined by us in good faith. The new or adjusted index, interest rate, investment fund, commodity, or market will apply until it is replaced or adjusted, or until the particular Interest Strategy is eliminated. If required, we will get approval from the insurance department of the state where this Contract was issued before we make a replacement or adjustment.

GREAT AMERICAN LIFE INSURANCE COMPANY®

[Marketing Name]
Individual Deferred Annuity Contract
[Tax Qualification]

Indexed and Declared Rate Interest Strategies
Flexible Purchase Payments
Nonparticipating - No Dividends

Supporting Document Schedules

Satisfied - Item:	Guaranty Notice
Comments:	
Attachment(s):	N6001815DC.PDF
Item Status:	
Status Date:	

Satisfied - Item:	DC - Explanation of Variables
Comments:	
Attachment(s):	DC - EOV.PDF
Item Status:	
Status Date:	

Satisfied - Item:	DC - Actuarial Memorandum, NW - Hedging Program, NW - GMIR Determination, NW - SNFL Demo
Comments:	
Attachment(s):	DC - Actuarial Memorandum.PDF NW - Hedge Program 2012.PDF NW - GMIR determination.PDF NW - SNFL demo.PDF
Item Status:	
Status Date:	

SUMMARY OF GENERAL PURPOSES, COVERAGE LIMITATIONS AND CONSUMER PROTECTION

General Purposes

Residents of the District of Columbia should know that licensed insurers who sell health insurance, life insurance, and annuities in the District of Columbia are members of the District of Columbia Life and Health Insurance Guaranty Association ("Guaranty Association").

The purpose of this Guaranty Association is to provide statutorily-determined benefits associated with covered policies and contracts in the unlikely event that a member insurer is unable to meet its financial obligations and is found by a court of law to be insolvent. When a member insurer is found by a court to be insolvent, the Guaranty Association will assess its other member insurers to satisfy the benefits associated with any outstanding covered claims of persons residing in the District of Columbia. However, the protection provided through the Guaranty Association is subjected to certain statutory limits explained under "Coverage Limitations" section, below. In some cases, the Guaranty Association may facilitate the reassignment of policies or contracts to other licensed insurance companies to keep the coverage in-force, with no change in contractual rights or benefits.

Coverage

The Guaranty Association, established pursuant to the Life and Health Guaranty Association Act of 1992 ("Act"), effective July 22, 1992 (D.C. Law 9-129; D.C. Official Code § 31-5401 *et seq.*), provides insolvency protection for certain types of insurance policies and contracts.

The insolvency protections provided by the Guaranty Association are generally conditioned on a person being 1) a resident of the District of Columbia and 2) the individual insured or owner under a health insurance, life insurance, or annuity contract issued by a member insurer, or insured under a group policy insurance contract issued by a member insurer. Beneficiaries, payees, or assignees of District insureds are also covered under the Act, even if they live in another state.

Coverage Limitations

The Act also limits the amount the Guaranty Association is obligated to pay. The benefits for which the Guaranty Association may become liable shall be limited to the lesser of:

- The contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer; or
- With respect to any one life, regardless of the number of policies, contracts, or certificates:

  - $300,000 in life insurance death benefits for any one life; including net cash surrender or net cash withdrawal values;
  - $300,000 in the present value of annuity benefits, including net cash surrender or net cash withdrawal values;
  - $300,000 in the present value of structured settlement annuity benefits, including net cash surrender or net cash withdrawal values;
  - $300,000 for long-term insurance care benefits;
  - $300,000 for disability insurance benefits;
  - $500,000 for basic hospital, medical, and surgical insurance, or major medical insurance benefits;
  - $100,000 for coverage not defined as disability insurance or basic hospital, medical and surgical insurance or major medical insurance or long term care insurance including any net cash surrender and net cash withdrawal values.

In no event is the Guaranty Association liable for more than $300,000 in benefits with respect to any one life ($500,000 in the event of basic hospital, medical, and surgical insurance, and major medical insurance).

Additionally, the Guaranty Association is not obligated to cover more than $5,000,000 for multiple non-group policies of life insurance with one owner regardless of the number of policies owned.

Exclusions Examples

Policy or contract holders are not protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was domiciled in a state whose guaranty association law protects insureds that live outside of that state);
- Their insurer was not authorized to do business in the District of Columbia; or
- Their policy was issued by a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, a nonprofit hospital or medical service organization, a health maintenance organization, or a risk retention group.

The Guaranty Association also does not cover:

- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Any plan or program of an employer or association that provides life, health, or annuity benefits to its employees or members and is self-funded;
- Interest rate guarantees which exceed certain statutory limitations;
- Dividends, experience rating credits or fees for services in connection with a policy;
- Credits given in connection with the administration of a policy by a group contract holder; or
- Unallocated annuity contracts.

Consumer Protection

To learn more about the above referenced protections, please visit the Guaranty Associations's website at www.dclifega.org. Additional questions may be directed to the District of Columbia Department of Insurance, Securities and Banking (DISB) and they will respond to questions not specifically addressed in this disclosure document.

Policy or contract holders with additional questions may contact either:

District of Columbia
Department of Insurance, Securities and Banking
810 First Street, N.E., Suite 701
Washington, DC 20002
(202) 727-8000

District of Columbia
Life and Health Guaranty Association
1200 G. Street, N.W.
Washington, DC 20005
(202) 434-8771

Pursuant to the Act (D.C. Official Code § 31-5416), insurers are required to provide notice to policy and contract holders of the existence of the Guaranty Association and the amounts of coverage provided under the Act. Your insurer and agent are prohibited by law from using the existence of the Guaranty Association and the protection it provides to market insurance products. You should not rely on insolvency protection provided under the Act when selecting an insurer or insurance product. If you have obtained this document from an agent in connection with the purchase of a policy or contract, you should be aware that such delivery does not guarantee that the Guaranty Association would cover your policy or contract. Any determination of whether a policy or contract will be covered will be determined solely by the coverage provisions of the Act.

This disclosure is intended to summarize the general purpose of the Act and does not address all the provisions of the Act. Moreover, the disclosure is not intended and should not be relied upon to alter any right established in any policy or contract, or under the Act.

Explanation of Variables
Individual Deferred Annuity Contract
Contract Form No. P1464116DC

BRACKETS

- Hard Brackets [ ] – Denote that provision or text is variable.

CONTRACT

- Administrative Office – Will insert address of administrative office.
- Marketing Name – Will insert the marketing name of the product.
- Tax Qualification (Header) – Will insert the tax qualification of the contract, if any, or "Nonqualified Annuity".
- Tax Qualification (Text) – Will insert the tax qualification of the contract, if any, or "nonqualified annuity".
- Tax Qualification Endorsement Reference – Will insert the sentence "Please refer to the tax qualification endorsement for important provisions" if contract is a tax qualified contract.
- How to Contact Us – Will insert the name and address of the company's department for contract administration, and the company website address.

Contract Specifications Page

- Contract Number – Will insert contract number.
- Contract Effective Date – Will insert the Contract Effective Date.
- Contract Anniversary – Will insert the Contract Anniversary.
- Earliest Permitted Date – Will list the earliest permitted Annuity Payout Initiation Date.
- Latest Permitted Date – Will list the latest permitted Annuity Payout Initiation Date, as determined based on the Owner(s) at the Contract Effective Date.
- Owner(s) as of Contract Effective Date – Will insert name(s) of the Owner(s).
- Age – Will insert age(s) of the Owner(s) as of the Contract Effective Date.
- Annuitant(s) as of Contract Effective Date – Will insert name(s) of Annuitant(s).
- Age – Will insert age(s) of the Annuitant(s) as of the Contract Effective Date.
- Beneficiary Designations as of Contract Effective Date – May insert list of primary and contingent beneficiaries designated by the contract owner at time of application. If included, will include statement that beneficiary designations are subject to the rights of a joint owner, and to other contract rules.
- Initial Purchase Payment – Will insert the amount of the initial Purchase Payment applied to the contract on the Contract Effective Date.
- Additional Purchase Payment Minimum – Will insert the minimum ($1,000 - $10,000) for any additional Purchase Payment that will be accepted into the contract.
- Total Purchase Payment Maximum – Will insert the maximum ($500,000 - $50,000,000) total of Purchase Payments that will be accepted into the contract.
- Interest Strategy Application Date – Will insert the date(s) that money will be moved from the Purchase Payment Account into the selected Interest Strategies (1st-28th of each month, currently the 6th and 20th of each month).
- Initial Interest Strategies – Will list the initial interest strategies available under the contract on the Contract Effective Date (1-5 strategies) and added to the contract as endorsements, as well as the percentage of the initial Purchase Payment allocated by the Owner(s) to each available strategy (0%-100%)
- Free Withdrawal Percentage – Will insert the current free withdrawal percentage allowed by this contract (5% - 10%).
- GMSV Rate – Will insert the rate used to determine the Guaranteed Minimum Surrender Value. Will not be less than the minimum interest rate allowed under your state insurance law (1%-3%). Once set, the GMSV Rate will not change on an issued contract.
- Minimum Required Value – Will insert the minimum Account Value that must be maintained to prevent the contract from being terminated ($1,000 - $5,000)
- Minimum Fixed Period Payout – Will insert the minimum duration for fixed-period annuity payments (5-10 years), other than as a Death Benefit settlement option. Once set, the Minimum Fixed Period Annuitization will not change on an issued contract.

Contract Data

- Payout Option Computations – Will insert the interest rate (1%-5%) to be used with the Annuity 2012 Table for blended lives to determine guaranteed minimum payout computations. Once set, the rate will not change on an issued contract.
- Payout Option A Table – Will insert values applicable to the determination of a periodic payment stream for a fixed period. Dependent upon the interest rate used for guaranteed minimum payout computations.

ACTUARIAL MEMORANDUM

Policy Form: P1464116DC

PRODUCT DESCRIPTION

The form is a general account, flexible premium deferred fixed annuity contract issued to an applicant age 0 thru 85. The contract will offer interest strategies of a declared rate nature as well as indexed varieties that credit returns on a percentage of the growth in a specified index over a term period. The initial interest strategy chosen at application may be changed at any time.

A surrender charge is applicable to withdrawals taken in the first 7 contract years. The surrender charge percentage applied to the account value is shown in the following table. There is a free withdrawal allowance (8% - 10%) in the contract. In the first contract year, surrender charges are waived on the percentage of all of the purchase payments received. After the first contract anniversary, surrender charges are waived on partial surrenders equal to the percentage of the account value on the previous contract anniversary. This amount is not cumulative.

Contract Year	1	2	3	4	5	6	7	8+
All Ages	9%	8%	7%	6%	5%	4%	3%	0%

The GMSV is

a. The sum of all Purchase Payments;
b. minus all withdrawals prior to such date;
c. plus interest credited at the GMSV Rate;
d. minus the applicable surrender charge percent times the account value.

The GMSV Rate (1% - 3%) is determined according to the NAIC formula as described in the attached documentation.

The death benefit in the contract is equal to the Account Value but will never be less than the GMSV.

The 2012 Individual Annuity Mortality Period Table with projection scale G2 for blended lives (60% female/40% male) with interest at 1% is used to compute all guaranteed settlement option factors, values and benefits under this Contract.

The last available maturity date is the contract anniversary following the contract owner's 95th birthday.

POTENTIAL INTEREST STRATEGIES

At issue, the contract owner may elect to allocate their purchase payment into any of the interest strategies available from the Company at that time. At the end of their chosen strategy's term, the contract owner may change their interest strategy selection. The term is the period of time over which the interest rate is calculated. The initial term begins on the first Interest Strategy Application Date. Subsequent terms begin upon the expiration of the preceding term.

The purchase payment received will be held in the Purchase Payment Account until the next Interest Strategy Application Date where it will then be allocated to the policy owner's chosen interest strategies. The Purchase Payment Account will be credited a fixed interest rate. Interest is credited daily with annual compounding. The interest rate will never be less than the GMSV Rate shown on the contract's specifications page. The GMSV Rate will be set for new issues according to the NAIC model as described in the supplemental documentation attached. The GMSV Rate will not be redetermined once a contract has been issued.

Anticipated strategies are:

Declared Rate Strategy: The fixed interest rate will be determined by the Company prior to the beginning of each Term. The rate will never be less than the Guaranteed Minimum Interest Rate (GMIR) as stated in the strategy's endorsement. Interest is credited daily with annual compounding. Each term is one year in length.

Indexed Strategies: Credited rates of interest are determined and credited at the end of the term for amounts held under an Indexed Strategy. For any term, the interest rate will never be less than zero.

S&P 500 Annual Point-to-Point:

Interest Rate = min (IV_{12} / IV_0 -1, Cap) where

IV_0 = S&P 500 at the start of the term

IV_{12} = S&P 500 at the end of the term

A term is one year in length. Caps will be declared by the company prior to each term and will never be less than the guaranteed minimum Cap (1% - 100%) listed in the strategy's endorsement.

DESCRIPTION OF THE INDEXES

The Standard & Poor's 500 Composite Stock Price Index is also known as the S&P 500. This index was chosen for two reasons. First, it is very liquid and hedging instruments are widely available to back this product. The second reason is that changes in the index are reported daily in the press.

Advance notification will be provided to the insurance department if a substitute index replaces any of the indexes used by the policy along with the rationale for replacing the existing index. The criteria for selecting a substitute index if the current one is no longer in existence or applicable will be the following:

a. the index will be a major index that represents the equity market,
b. has hedging instruments available to back the product (if for the Crediting Index),
c. the Company is able to secure a license to use, and
d. has results that are accessible to the average person.

NONFORFEITURE BENEFIT

The cash surrender value under the policy is always greater than or equal to the minimum required. The Minimum Nonforfeiture Amount under the Cash Value Test (or Retrospective Test) at any given time for a contract is equal to the accumulated value of Net Nonforfeiture Premiums, less the accumulated value of any withdrawals and less allowable charges. The Minimum Nonforfeiture Amount under the Present Value Test (or Prospective Test) is the annuity value projected to the maturity date at the minimum guaranteed crediting rate and discounted at a rate 1% higher. The guaranteed minimum crediting rate will always be at least as great as the minimum nonforfeiture rate, as determined by the attached documentation. The minimum nonforfeiture rate will not be redetermined once a contract is issued.

Attachment 1 shows the cash surrender value under the policy and demonstrates compliance with the Standard Nonforfeiture Law for Individual Annuities.

VALUATION

Statutory reserves will never be less than those calculated in accordance with Actuarial Guideline XXXV for equity indexed products. The system used to calculate the reserves tests all possible integrated benefit streams, considering cash surrender values, partial withdrawals, annuitization benefits and death benefits.

In accordance with Section 10 of the NAIC Actuarial Opinion and Memorandum Regulation (AOMR), the reserves and assets for the indexed annuities will be aggregated with all other reserves and tested for adequacy using appropriate methods and assumptions. The cash flow testing to be performed will take into consideration product design, equity market movements in relation to various interest rate scenarios, asset allocation, etc., to the extent necessary to opine on asset adequacy.

INVESTMENTS

Fixed income securities will be purchased to back the fixed guarantees in the policy. To hedge the equity index liability, options of the applicable index will be purchased to match the index benefits provided by the product. The amount of assets held would be at least equal to the statutory reserves. The majority of assets will be in investment grade fixed income assets with a small percentage of the assets invested in an option contract of the applicable index. The amount that the option contract will return depends upon the participation rate, index spread and the applicable index results in effect during the term. These assets are appropriate since they mimic the liability to the policy owner. The assets of this form will be held in a general account. The Company has not registered this form with the SEC and is not required to do so.

QUALIFICATION

I am an Associate of the Society of Actuaries and a member of The American Academy of Actuaries. I meet the Academy qualification standards for rendering this opinion.

Sherri L. Hach, ASA, MAAA
Product Development Actuary

GREAT AMERICAN LIFE INSURANCE COMPANY
ANNUITY HEDGE PROGRAM

The following is a summary of the Annuity Hedge Program as approved by the Finance Committee of the Board of Directors on February 10, 2005.

PURPOSE: The purpose of this Program is to provide a corresponding hedge of the liabilities assumed by the Company in connection with the sale of indexed annuities. The primary focus of this program will be hedging annuities in which the crediting rate is tied in part to external indices, such as the Standard & Poor's 500 Index.

OPTIONS TO BE PURCHASED: Pursuant to this Program, the Company will acquire from time to time derivatives to hedge our annuity products. For example, to the extent possible, specific derivatives acquired should replicate the liabilities assumed by the Company as a result of the sale of equity indexed annuities. The timing of purchases of these derivatives along with the specific terms thereof shall be determined by the appropriate employees of the Company under the supervision of the Finance Committee of the Board of Directors. The acceptance of the specific derivatives purchased shall be evidenced by the signature of an officer of the Company on the corresponding confirmation.

Derivatives purchased pursuant to this program will be identified as hedging transactions for regulatory and tax purposes.

INVESTMENT LIMITATIONS: Derivatives may be acquired pursuant to this program for the sole purpose of hedging the liabilities assumed by the Company. Persons performing investment accounting functions for the Company shall be responsible for determining that purchases of derivatives do not exceed any applicable limitations.

DOCUMENTATION AND RECORDS TO BE MAINTAINED: The following are the records and documents to be maintained in connection with this hedge program.

For Derivatives Purchased:

1) A copy of a confirmation executed by an officer of the Company evidencing the purchase of the derivative.
2) A description of each derivative acquired including,
    a. The date of the transaction
    b. A complete and accurate description of the specific derivative purchased
    c. Number of contracts or notional amount
    d. Date of maturity, expiry or settlement
    e. Strike price, rate or index
    f. Counterparty, or exchange on which the transaction was traded
    g. Cost of derivative acquired

For Derivatives Sold:

1) A copy of a document executed by an officer of the Company evidencing the sale of the derivative.

2) A description of each derivative sold including,
    a. The date of the transaction
    b. A complete and accurate description of the specific derivative sold
    c. Number of contracts or notional amount
    d. Date of sale
    e. Strike price, rate or index
    f. Counter-party or exchange on which the transaction was traded
    g. Consideration received

For Derivative Securities Open at Year End:

1) For all derivatives open at year-end, investment and actuarial personnel shall apply appropriate methodology to determine whether the derivatives continue to provide the appropriate hedge for the liabilities assumed by the Company.
2) If the effectiveness of the hedge falls outside an acceptable tolerance, a report describing the hedge ineffectiveness is prepared and provided to the Finance Committee of the Board of Directors.
3) Investment and actuarial personnel shall consult with investment banking firms and other third parties to determine the market value for all derivatives.
4) For purposes of measuring hedge effectiveness, commonly accepted formulaic pricing methods acceptable to the Company's investment manager may be used in order to value the assets and liabilities consistently.
5) A copy shall be maintained of any Master Agreement pursuant to which the derivative was acquired.

CREDIT RISK

GALIC is exposed to credit risk if a counterparty defaults. If a counterparty should default, GALIC would be left with the market value exposure of the derivative bought from such counterparty. The size of the credit exposure is an estimate of the potential amount owed under a highly unfavorable scenario. To minimize credit risk GALIC will adopt the following guidelines in its hedge management:

Approved counterparties. Derivative transactions will be entered into only with approved counterparties. Credit exposure limits will be established for each approved counterparty and monitored to assure risk remains within established limits. The board will review and approve the list of counterparties for derivative transactions, at least annually. The board will also approve maximum credit exposure limits for each approved counterparty.

Counterparty selection standards. In most cases GALIC will purchase options only from derivative dealers who are rated class 1 by the NAIC.

Counterparty credit exposure limits. GALIC will hold options spread among at least three counterparties. A report will be prepared at least annually for the Board to allow review and approval of counter party credit limits. The current guidelines used for calculating our credit exposure to S&P 500 call options are:

Let: A	=	current market value of options
E	=	estimated market value of options after a shock increase of 1.8 standard deviations in the STANDARD & POOR'S 500
I	=	estimated market value of options after a shock increase of 1.8 standard deviations in interest rates
V	=	estimated market value of options after a shock increase of 1.8 standard deviations in implied volatility

Credit Exposure is given by: $A + [(A-E)^2 + (A-I)^2 + (A-V)^2]^{1/2}$

The CFO will develop additional guidelines for other derivatives as needed.

LIQUIDITY RISK

Market liquidity risk arises when there is a possibility that a significant adverse price change, related to supply and demand imbalances, limits the ability to hedge, close-out, or sell a derivative position. Liquidity risk is higher to the extent that there is inadequate market depth or a market disruption. To minimize this risk GALIC will establish contractual agreements with at least three counterparties to purchase derivative securities. GALIC will monitor conditions for early detection and management of liquidity risk by the following procedure:

Market conditions. The market value of derivatives will be monitored for early detection of unfavorable market conditions.

Product characteristics. GALIC will ensure that our annuities are not exotic, and have characteristics common in the indexed annuity market.

Counterparty credit rating. GALIC will monitor the credit ratings of significant counterparties for credit deterioration or other impairments that may present market resistance for any transaction with them.

Cash flow liquidity risk is the inability to meet cash flow obligations by liquidating assets at an acceptable price. To manage this risk, cash flow requirements that arise due to the use of derivatives are included in overall cash management reports. Scenarios that would stress liquidity will be reviewed at least annually. Steps to meet obligations in unfavorable scenarios will be outlined.

LEGAL RISK

GALIC will obtain signed legal agreements with counterparties prior to execution of derivative purchases. These agreements will include at least the following:

Master agreement. The master agreement will cover the significant aspects of GALIC's relationship with the counterparty, such as provisions governing the timing of termination of transactions, and the calculation of settlement amounts upon termination.

Confirmation statement. This will cover the details of a specific transaction such as notional amount, beginning index, strike price and cost of the derivative.

Master close-out netting agreements. These agreements will cover broad details. These arrangements help to limit credit and liquidity exposures, increase the potential to do more business with counterparties within existing credit limits, and reduce the need for collateral to support counterparty obligations.

MARKET RISK

Effectiveness of Hedge. At a minimum, a hedge is considered to be effective if it provides coverage for at least 85% of the targeted amount for the risks being hedged; the counterparty is not in default; and there is no impairment that will adversely affect the counterparty's ability to meet cash flow obligations as they become due.

In addition, a report is produced quarterly to analyze the degree of hedge ineffectiveness. Objective tolerances for ineffectiveness are established. When those limits are exceeded, actions are taken to rebalance the hedge and restore effectiveness to within the stated tolerances.

PRICING RISK

There is a risk that conditions will make it difficult to maintain an adequate profit margin or to provide for policyholders' expectations. GALIC will maintain a process for setting participation rates, caps, and other non-guaranteed elements both at issue and after issue, that is consistent with pricing objectives. Appropriate individuals will also review the setting of contract guaranteed rates to ensure they do not create a significant risk.

The Appointed Actuary certifies annually as to the reasonableness of liability assumptions used to determine the amount and type of options needed for the hedge.

OPERATIONAL RISK

Adherence to the guidelines described in this document is monitored through the activities of the Internal Audit function and the Corporate Compliance function, and any shortcomings are conveyed to the Board of Directors through the regular communication processes established between these two functions and the Board.

To comply with Sarbanes-Oxley section 404, GALIC has developed controls for its use of derivatives to hedge its EIA product liabilities. Attached is the document that describes the Company's control process for purchasing index options to hedge the EIA annuity product. It ensures that the proper amounts of options to be purchased are determined, and that their characteristics will provide an effective hedge.

The Company analyzes the effectiveness of the EIA hedge on a quarterly basis, coinciding with financial reporting. The extent of ineffectiveness is quantified and compared to objective tolerance metrics, and the materiality of the risk arising from the degree of ineffectiveness is considered. A significant ineffective condition would result in a rebalancing of the portfolio of index options.

The Company's product designs result in liability embedded option characteristics that are not exotic or difficult to effectively hedge, allowing for a good match between the characteristics of the asset and liability options. There is a minor risk that policy lapses will be lower than our assumptions, resulting in the Company being under-hedged with its index option portfolio. This is most easily trued up at the expiration date of the options, and is not likely to be a significant risk in mid-term. For purposes of determining the volume of index options to purchase, policy persistency in any year is always assumed to be at least 97%. The primary risk is that policy lapses may be higher than expected, resulting in the Company holding more index options than needed to hedge the liabilities. This is a manageable risk, since the excess of call options has value to the company, and does not enhance the surrender value of the product now being filed. In addition, if the Company determines, based on market values, that it is advantageous to sell the excess options rather than continuing to incur the cost of carrying them on its books, it will do so.

GAFRI Actuarial
Derivatives and Hedges – GALIC and AILIC
Process Officer: Mike Prager
Last Update: (Jennifer Heater 6/29/2012)

The purpose of this document is to outline the process of determining the amount of derivatives to purchase for hedging the equity index annuity (EIA) liabilities.

Background

Prior to 2003 GALIC sold a suite of flexible and single premium EIAs with the marketing names "Choice", "Equilink" and "Multilink". These products were withdrawn from the market before 2003, and are hereafter referred to as the closed block. A new suite of products was introduced in May 2005 with the marketing names "American Legend", American Icon" and "American Valor" and are hereafter referred to as generation I. All subsequent products are hereafter referred to as generation II and include: "FlexMax 7", "FlexMax 10", "FlexMax 12", "FlexMax 14", "FlexMax", "FlexMax Plus", "American Legend II", American Icon II", "American Valor II", "American Valor 10", "Loyal Outlook", "Loyal Gateway", "Loyal Generation", "Safe Return", "Safe Outlook", "SelectStep", "Assurance Select 7", and "Assurance Protect 6".

The generation I products have issue dates limited to the 6th and 20th of each month; resulting in 24 different "buckets" per year. Generation II products are issued on any business day and premiums are moved into an interest-bearing holding account until they are "swept" over for hedging. They are swept on the 6th and 20th of the month, resulting in 24 different "buckets" per year. Policies with the same month and day of issue, but issued in different years, may have different caps.

The company hedges the risk on the indexed portion of its EIA liabilities with S&P 500 index call options. The index option amounts purchased reflect the assumption that a small percentage of policies will lapse before earning their index credits at the end of their term, whether one year or longer. The characteristics of the index option purchased (cap, spread, par rate) are meant to closely mirror the liability characteristics. A slight mismatch may occur if a strategy with low volume is hedged with an index option that closely resembles (but not exactly) matches its characteristics.

The purchasing of index options is performed by American Money Management (AMM) and falls within the investment purchase and sale processes that are documented at the American Financial Group (AFG) level for Sarbanes Oxley. The only exception to the AFG investment process for this product group is that GAFRI's Actuarial Department determines the amount of hedges to purchase based on liability amounts in force.

Determining Hedging Needs

Policy value information on new purchase and ratchet amounts comes directly from the policy administration system, LifePro, and the Oracle Data Warehouse. For the closed block, the Risk Management (RM) Area of the actuarial department runs two reports on the second Friday of each month, one for premiums, participation rates and beginning S&P index values and one for account values. The report, which summarizes the account values, is imported directly into the spreadsheet. The information from the premium report is copied and pasted from the LifePro report into the “EIA Hedging Report” Excel spreadsheet. The account values are pulled directly from the premium report information into the second report to see how much needs to be hedged. Information for options purchased corresponding to the liabilities is added to the spreadsheet from information provided by AMM.

For the current products, policy value information comes directly from the policy administration system, LifePro, and the Oracle Data Warehouse. The Risk Management (RM) Area of the actuarial department runs reports in LifePro on the morning of the first business day after the 6th and 20th of each month to obtain FIA premiums and fund allocations for newly issued policies. (Due to system constraints, the hedge will be performed on the following Tuesday any 6th or 20th that falls on a weekend.) This data is imported from the LifePro reports into an Excel spreadsheet for each individual product group. The information is then summarized at the fund bucket level.

The “EIA Hedging Report” shows how well the EIA index liabilities and options are matched, by comparing in-force option amounts to in-force liability amounts. For the closed block, the comparisons are made by product type as well as on an individual product basis. For the current products, at the end of each month the AV in force is compared to the amount of notional hedged at the bucket level. If any additional hedges need to be purchased, this amount is either added to future option purchases or a separate option is purchased. Any unexpected exposures are investigated and the asset and liability data is re-confirmed to the original sources.

The amount of options to be purchased is based upon the amount of liabilities in force and pre-determined target hedge ratios developed by the RM area. The target hedge ratios account for non-vested lapses and are based on liability projections; see Appendix A for the current target hedge ratios. The Risk Management Actuary reviews the “EIA Hedging Report” and monitors the proximity of the actual hedging ratios to the targeted ratios. The RM Actuary signs and retains a copy of each report that reflects an option purchase.

Purchasing Derivatives

After the purchase details are sent to AMM, they obtain option prices from multiple option dealers. They generally buy from the dealer quoting the lowest price. For counterparty diversification, a price that is not the lowest may be preferable from time to time.

An option purchase is generally made once per month for the closed products. In the event a purchase is not warranted, due to small volume, the liabilities will remain unhedged until liability amounts reach a critical mass. It is necessary to use an average index strike value for the hedge purchase, to cover policies with terms that will end over a period of several weeks. The hedge ratio may drop below the target ratio for some period of time as AMM waits for the necessary minimum amount of unhedged liabilities before purchasing a hedging option.

For the current products, information about what particular options are needed is detailed on “Purchase Detail” Excel spreadsheets and provided to AMM. Options are purchased for the current products twice a month, on the first business day after the 6th and 20th (or the Tuesday following the 6th or 20th when it falls on a weekend). Because the issue dates fall within a short time period of two weeks, no averaging of index strike values is necessary. Hence the option characteristics will more closely match the characteristics of the liability.

Once a purchase is made, AMM sends the RM area trade information that reflects the purchase. This purchase information is manually input into the “EIA Hedging Report”, compared to the expected purchase amount, and any unexpected differences are investigated.

A hedge effectiveness risk position report is produced quarterly, and is given to the Risk Management Actuary to examine the relationships between the values of the index options and the liability embedded options. Market values determined from PolySystems are compared, as are values determined from option pricing formulas used in the Excel spreadsheet hedge effectiveness report. The important relationship for hedge effectiveness is the similarity of the asset and liability amounts, rather than the absolute values. Significant differences between the numbers from PolySystems and the Excel formula results are examined.

Segregation of Duties

The person who reviews those “EIA Hedging Reports” for confirmation that the amounts hedged agree with the amounts received from AMM is different from the person who determines the amounts to be hedged. There is adequate segregation of duties.

Overall Review

When financial statements are produced, GAFRI’s actual results are compared to plan. Any unusual or material variances are investigated (Ledger Close – Insurance Subs). The 10Q and 10K disclosures are reviewed whenever financial statements are produced (AFG Financial Statement Close).

Conclusion

This narrative was reviewed by the Process Officer, Process Team Sponsor and Project Team Reviewer, on the dates indicated on the top of page one. Upon review of the narrative, it appears that there are appropriate controls documented to prevent or detect significant deficiencies or material weaknesses from occurring. There are no issues regarding segregation of duties.

Appendix A – Target Hedge Ratios

1. Annual Ratchet – Choice, Choice Plus, American Legend, American Icon, American Valor, Safe Return, Safe Outlook, American Legend II, American Icon II, American Valor II, American Valor 10, FlexMax 7, FlexMax 10, FlexMax 12, FlexMax 14, FlexMax, FlexMax Plus, Gateway, Outlook, Generation, SelectStep, Assurance Select 7, Assurance Protect 6

   - 97%

2. Point-to-Point – Equilink and Equilink Plus

   - 85%

3. Multi-Strategy – Multilink 4 and Multilink 12

   - 90%

*Note – The factors above are based on experience and reflect expected future persistency. These factors are consistent with a 97% annual persistency factor.

Guaranteed Minimum Interest Rate (GMIR)* Determination Process

In the last month of each calendar quarter, the Actuarial Department will retrieve the three most recent monthly averages of the five-year Constant Maturity Treasury yields (CMT) from www.federalreserve.gov. The three months retrieved will consist of the last month of the prior quarter and the first two months of the current quarter.

Determination of Guaranteed Rate for New Issues

The Minimum Permitted Guaranteed Interest Rate (MPGIR) will be recalculated before the end of each calendar quarter. The resulting MPGIR will apply to policies issued on or after the first day of the upcoming quarter for purposes of determining those policies' guaranteed minimum declared rate. Samples of the calculations are attached.

The MPGIR will be calculated following these steps:

1. The 11 most recent monthly average five-year CMTs through the second month of the current quarter will be averaged.
2. A constant 125 basis points is subtracted from step 1.
3. The result from step 2 is rounded to the nearest 5 basis point increment.
4. The calculated result is limited to a minimum rate of 1.0% and a maximum of 3.0%.

Before the beginning of the upcoming quarter, the Interest Rate Committee will agree upon and approve a guaranteed minimum interest rate (GMIR) for policies issued in the upcoming calendar quarter. The GMIR will always be at least as great as the MPGIR as calculated above. The GMIR may be set higher than the MPGIR.

Redetermination of Guaranteed Rates for In-Force Contracts

The GMIR will not be redetermined once a contract has been issued.

Qualification

I am an Associate of the Society of Actuaries and a member of The American Academy of Actuaries. I meet the Academy qualification standards for rendering these statements.

____

Sherri L. Hach, ASA, MAAA
Product Development Actuary

*Please note that the Guaranteed Minimum Interest Rate (GMIR) may be referred to as the Guaranteed Minimum Declared Rate (GMDR) or Guaranteed Minimum Surrender Value (GMSV) Rate in a contract form.

Attachment 1a - Single Premium Nonforfeiture Demonstration using minimum nonforfeiture rate and contract minimums

Issue Age = 85 | Free Withdrawal Factor = 8.0% | GMSV Rate = 1% | Account Value Growth Rate = 0%

n = duration of test = 10

1	2	3	4	5	6	7	8	9	10	11	12	13	14
								Retrospective Test			Prospective Test		
End of Contract Year (t)	Single Premium	Account Value	Free Withdrawal Allowance	Contract Year Surrender Charge	Account Value less Surr Charge	Guaranteed Minimum Surrender Value	Surrender Value max((7),(6))	Nonforfeiture Net Premiums	Minimum Required Value under the Cash Value Test (9)x(1+GMSV Rate)^t	**Demonstration of Compliance Cash Value Test** (8) - (10)	Guaranteed Value at Maturity max((7),(3))	Minimum Required Value Under Present Value Test (12)*[1/(1+AV Growth Rate+1%)]^(n-t)	**Demonstration of Compliance Present Value Test** (8) - (13)
1	10,000.00	10,000.00	800.00	9.0%	9,172.00	9,200.00	9,200.00	8,750.00	8,837.50	362.50	10,000.00	9,143.39	56.61
2	0.00	10,000.00	800.00	8.0%	9,264.00	9,401.00	9,401.00	0.00	8,925.87	475.13	10,000.00	9,234.83	166.17
3	0.00	10,000.00	800.00	7.0%	9,356.00	9,603.01	9,603.01	0.00	9,015.12	587.89	10,000.00	9,327.18	275.83
4	0.00	10,000.00	800.00	6.0%	9,448.00	9,806.04	9,806.04	0.00	9,105.27	700.77	10,000.00	9,420.45	385.59
5	0.00	10,000.00	800.00	5.0%	9,540.00	10,010.10	10,010.10	0.00	9,196.32	813.78	10,010.10	9,524.26	485.84
6	0.00	10,000.00	800.00	4.0%	9,632.00	10,215.20	10,215.20	0.00	9,288.28	926.92	10,215.20	9,816.60	398.60
7	0.00	10,000.00	800.00	3.0%	9,724.00	10,421.35	10,421.35	0.00	9,381.16	1,040.19	10,421.35	10,114.85	306.50
8	0.00	10,000.00	800.00	0.0%	10,000.00	10,828.56	10,828.56	0.00	9,474.97	1,353.59	10,828.56	10,615.19	213.37
9	0.00	10,000.00	800.00	0.0%	10,000.00	10,936.85	10,936.85	0.00	9,569.71	1,367.14	10,936.85	10,828.56	108.29
10	0.00	10,000.00	800.00	0.0%	10,000.00	11,046.22	11,046.22	0.00	9,665.40	1,380.82	11,046.22	11,046.22	0.00

Attachment 1b - Flexible Premium Nonforfeiture Demonstration using minimum nonforfeiture rate and contract minimums

Issue Age = 85 | Free Withdrawal Factor = 8.0% | GMSV Rate = 1% | Account Value Growth Rate = 0%

n = duration of test = 10

1	2	3	4	5	6	7	8	9	10	11	12	13	14
								Retrospective Test			Prospective Test		
End of Contract Year (t)	Flexible Premium	Account Value	Free Withdrawal Allowance	Contract Year Surrender Charge	Account Value less Surr Charge	Guaranteed Minimum Surrender Value	Surrender Value max((7),(6))	Nonforfeiture Net Premiums	Minimum Required Value under the Cash Value Test (9)x(1+GMSV Rate)^t	**Demonstration of Compliance Cash Value Test** (8) - (10)	Guaranteed Value at Maturity (3)*(1+AV Growth Rate)^(n-t)	Minimum Required Value Under Present Value Test (12)*[1/(1+AV Growth Rate+1%)]^(n-t)	**Demonstration of Compliance Present Value Test** (8) - (13)
1	1,000.00	1,000.00	80.00	9.0%	917.20	920.00	920.00	875.00	883.75	36.25	1,000.00	914.33	5.67
2	1,000.00	2,000.00	160.00	8.0%	1,852.80	1,870.10	1,870.10	875.00	1,776.33	93.77	2,000.00	1,846.96	23.14
3	1,000.00	3,000.00	240.00	7.0%	2,806.80	2,850.40	2,850.40	875.00	2,677.84	172.56	3,000.00	2,798.15	52.25
4	1,000.00	4,000.00	320.00	6.0%	3,779.20	3,861.00	3,861.00	875.00	3,588.36	272.64	4,000.00	3,768.18	92.82
5	1,000.00	5,000.00	400.00	5.0%	4,770.00	4,902.01	4,902.01	875.00	4,507.99	394.02	5,000.00	4,757.32	144.69
6	1,000.00	6,000.00	480.00	4.0%	5,779.20	5,973.53	5,973.53	875.00	5,436.81	536.72	6,000.00	5,765.88	207.65
7	1,000.00	7,000.00	560.00	3.0%	6,806.80	7,075.67	7,075.67	875.00	6,374.92	700.75	7,075.67	6,867.57	208.10
8	1,000.00	8,000.00	640.00	0.0%	8,000.00	8,368.52	8,368.52	875.00	7,322.41	1,046.11	8,368.52	8,203.62	164.90
9	1,000.00	9,000.00	720.00	0.0%	9,000.00	9,462.21	9,462.21	875.00	8,279.38	1,182.83	9,462.21	9,368.52	93.69
10	1,000.00	10,000.00	800.00	0.0%	10,000.00	10,566.83	10,566.83	875.00	9,245.92	1,320.91	10,566.83	10,566.83	0.00